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## OLR Bill Analysis

sSB 207 (File 189, as amended by Senate "A")\*

### ***AN ACT REQUIRING HOME IMPROVEMENT CONTRACTORS AND SALESMEN TO OBTAIN AND DISPLAY IDENTIFICATION BADGES.***

#### **SUMMARY:**

This bill increases the maximum civil penalties for repeat violations of prohibitions against performing, willfully employing someone, or falsely pretending to qualify to perform home improvement work without being registered with the Department of Consumer Protection (DCP). It increases the maximum penalty from:

1. \$750 to \$1,000 for a second violation and
2. \$1,500 to \$2,000 for a third or subsequent violation.

Under existing law, unchanged by the bill, the penalties for second or subsequent violations are incurred only if they occur within three years of the preceding violation. By law, the fine for a first violation is up to \$500.

The bill also requires home improvement contracts to contain a copy of the salesman's or contractor's registration certificate for it to be valid or enforceable against an owner.

The bill also makes technical changes.

\*Senate Amendment "A" replaces the original file, which required contractors and salesmen to wear state-issued identification badges when making or selling home improvements.

EFFECTIVE DATE: October 1, 2014

#### **CIVIL PENALTIES**

By law, the DCP commissioner may impose civil penalties, after

notice and hearing, for:

1. working without being registered,
2. willfully employing or supplying for employment an unregistered person,
3. willfully and falsely pretending to be qualified,
4. working after a registration has expired, or
5. violating related statutes or regulations (CGS § 20-427).

### **HOME IMPROVEMENT CONTRACTS**

All home improvement contracts must include certain provisions describing the contractor and the job to be valid or enforceable. Contracts must:

1. be written, dated, and signed by both parties;
2. include the entire agreement;
3. identify the contractor and state his or her address and registration number;
4. include a notice of cancellation rights;
5. include the starting and completion dates;
6. be entered by registered contractors or salesmen; and
7. include a disclosure about any legal entity that is or has been a home improvement or new home construction contractor in which the contractor was a shareholder, member, partner, or owner, during the past five years (CGS § 20-429).

### **COMMITTEE ACTION**

General Law Committee

Joint Favorable

Yea 13      Nay 4      (03/13/2014)

